Central American NEWSLETTER

Newsletter of the Central American Group of the Spanish Main Society.
Editor: Michael P. Birks, 36 Trevor Road, Flixton, Manchester M41 5QH. England. 0161 747 5924.

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Letter to the Editor

from Michael Round 212

If your envelope is marked with a red cross, we look forward to receiving your subscription renewal (or a note telling us we have got it wrong, please.)

The Central American Group is a part of the Spanish Main Philatelic Society, the leading Society in the world for collectors of Latin America. The journal of the SMPS is *The Mainsheet*, published quarterly, and is free with your subscription. The Secretary is Brian Moorhouse, PO Box 105, Peterborough PE3 8TQ, England. Phone 01733 2687078. The subscription is currently £8 in Europe or $20 elsewhere. Cheques in sterling or US$ should be made payable to "The Spanish Main". A three year subscription of £21/$54 and a five year subscription of £30/$80 are available and payment for these longer subscriptions may be made by Access, Mastercard or Visa. The minimum subscription is one year. If joining during the course of the year the appropriate part subscriptions should be added - Feb-Apr £6/$15; May-Aug £4/$10; Sep-Nov £2/$5 to pay through to the following January when the subscription paid will come into effect.

The Central American Group caters for the collectors of Mexico to Panama. Its journal, which you are now reading, is published quarterly, and is available by annual subscription. The subscription is currently £8/$15 resident in the UK or in Europe, or £11/$19 elsewhere. The minimum subscription is one year. If joining after June 1st, add 50% to pay through to the following January when the subscription paid will come into effect. Cheques in sterling payable to "The CA Group" should be sent to the treasurer, David Hankey, 2 Prince's Drive, Marple, Stockport SK6 6NJ, England. Phone 0161-449 0693. We shall be pleased to forward the relevant portions of multi-subscription cheques to the SMPS or the Chile Group for overseas members.

We regret we cannot accept dollar cheques for subscriptions because each cheque costs a minimum of £5/$8 to negotiate.

Back issues are available to members at 75p/$1.50 each, although Volumes 1 and 2 are sold out. Non-members may request a sample copy for 75p/$1.50 post paid. Requests for back issues should be sent the Editor, to whom cheques should be made payable. Payments must be made in sterling or in dollar bills.

The group leader is Richard Saundry, Gwrych Cottage, Godstone Road, Bletchingley, Redhill, Surrey RH1 4PL, England. Phone 01883 742186.

The group does not run a packet. The SMPS Packet Secretary is Brian Sylvester, 3 Russell Court, St Lukes Road, Maidenhead, Berkshire SL6 7AP, England. Phone 01628 784555.

Although most packets are of a general nature, there are occasional specialised one country packets. Good and unusual material is always wanted.

Owing to insurance difficulties, the packet is not available to overseas members, although we shall be pleased to accept material for inclusion from them.

The auctioneer of the SMPS is Brian Moorhouse, to whom Auction and Private Treaty lots should be sent. Brian is a dealer, and will include your name on his mailing list if requested to do so.

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Vol.IV, No. 78 **<mpbirks@36trevor.freeserve.co.uk>** **January 2000**

EDITORIAL

The year 2000 fast approaches and the last meeting of the year is only a few days away. 4 December at the Victory Services Club near Marble Arch. This is an important meeting for many reasons. First because we have to plan for next year and your views and ideas will be most welcome. Secondly since this year's meetings have been characterised by poor attendance let us make this one a record. We certainly have given the event much publicity.

The third reason is that it is also the Spanish Main Cup Competition. This is a prestigious award founded and donated by the author of the Spanish Main, John Fosbery RDP FRPSL, in 1984. The winner on that occasion was Richard Saundry. The full list of winners consists of:-

1984 Richard Saundry	1985 Eugene Fox	1986 George Richardson
1987 Michael Birks	1988 Frank Pegley	1989 Colin Eddleston
1990 Jörg Maier	1991 Richard Saundry	1992 Hamish Reid
1993 Colin Eddleston	1994 Christopher Crutwell	1995 Richard Saundry
1996 Hamish Reid	1997 Denis Lavery	1998 John C West

The rules are simple, any member can enter on the day without previous application. One exhibit is up to 16 pages and a competitor, if he desires, can have two entries of up to 16 pages each. The judging is done by the whole membership present in the room by a paper vote. You write your name on top so that it is seen that you do not vote for your own exhibit.

Last year's winner is not allowed to enter and he will be the scrutineer for the voting.

For the first time we are allowing members who cannot get to the meeting to send their entries in to Hamish Reid (phone 0207 794 1472). To reduce costs, overseas entrants can send good quality photocopies. Hamish has received three from the USA already.

Please make an effort to come and make this last meeting a success even if you don't want to enter the competition you will find lots to interest you. Brian Moorhouse will also be there with some of his stock.

If I don't see you there, All the best for Christmas and the New Year.

mpb

Dates for your diary

York Stamp Fair, 14-15 January 2000.

London 2000 (World), 22-28 May 2000.
including a Spanish Main Meeting.

Glasgow 2000 (National), 17-19 November 2000.

COSTA RICAN TRANSATLANTIC AIRMAIL RATES 1930-1947

(Part 3)

by Dr R H SAUNDRY

Beginning 10 June 1931 Costa Rican domestic letter rates were reduced from 13 ctmos to only 10 ctmos and this was immediately reflected in a lowering of total postage on airmail covers to foreign UPAE countries (see listing of rates [line 1b] in accompanying table). Airmail covers to the USA from this date were normally rated at 90 ctmos, but this change in Costa Rican domestic letter rates had no effect on the airmail rates to Europe.

The next important event that affected Costa Rican airmail rates was Presidential Decree No.13 of 19 September 1932 in which article 5 stated:-

> *"In the future airmail correspondence shall be franked only with the respective and special stamps, which shall represent jointly the value of the postage to be paid to the contractors and that corresponding to the ordinary postage"*

A replacement (second) airmail rates schedule (for details refer to the accompanying table) was almost immediately put into effect (1 October 1932) and from this time forward all subsequent Costa Rican airmail rates schedules have provided for this inclusive foreign first class surface letter rate. With the 1932 schedule the airmail rate to the USA was hiked to 1.05 Colones, and that to UPU (including European countries) to 1.10 Colones per 15 grams (Fig. 2).

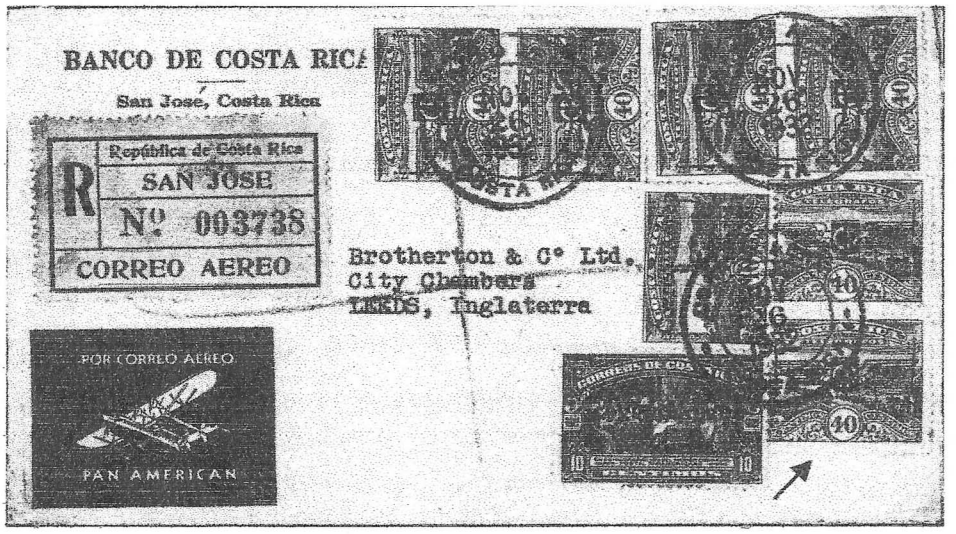


Figure 2. Registered airmail from San José to England, 26 November 1932, flown to New York only. Postage: C2.20 for letters weighing between 15 and 30 grams plus 35 ctmos registration totaling C2.55.

We note a gap of some 10 days between signing the Presidential decree and the introduction of the new airmail rates and it would be interesting to examine any Costa Rican airmail covers sent between 19 and 30 September 1932 to see what stamps they bear. We anticipate, however, that the provisions of the decree of 19 September were intended to take effect on 1 October, and that the earlier rates remained current until this date.

The second rates schedule of 1932 remained in force until replaced by a third schedule introduced 6 July 1935 when airmail rates to the USA were hiked to 1.40 Colones and to foreign UPU countries (all Europe except Spain) were hiked to 1.50 Colones per 15 grams. The third schedule remained in force until 14 February 1938.

Beginning the fourth airmail rates schedule effective from 15 February 1938 weight steps of only 5 gm. were adopted instead of 15 gm. as were always previously used. From this time onwards Costa Rica has always used 5 gm. weight steps when fixing its international airmail rates. Airmail tariffs for the initial 5 gm. weight step were set higher than those of subsequent 5 gm. weight increments to accommodate the included surface rates. Interestingly after 1938 it would appear that Costa Rica never ever charged extra postage on airmails, even for the very heaviest of letters that one occasionally encounters, where one would normally surmise the total weight would have exceeded the basic weight step for first class surface foreign letters. The February 1938 airmail rate to the USA was set at 50 ctmos for letters weighing 5 gm. or less, plus 35 ctmos each successive 5 gm., or fraction thereof. The corresponding rates for airmail covers to Europe flown as far as New York only were 55 ctmos the first 5 gm., plus 35 ctmos each successive incremental weight step, such that letters to Europe required postage of 0.55, 0.90, 1.25, 1.60 Colones etc. for letters weighing up to 5, 10, 15 and 20 gm. etc. respectively (Fig. 3).

Figure 3. Airmail cover from San José to England, 10 May 1938.
Postage: C 3.35 for a letter weighing between 40 and 45 grams, flown to New York only.

The fourth airmail rates schedule actually represented a decrease in postage rates, and may have been introduced both to encourage greater use of the airmail service, and to encourage the use of "flimsy" airmail envelopes that were beginning to come into fashion.

This fourth rates schedule was short-lived since in December 1938 it was replaced by a fifth rates schedule of even shorter duration lasting only until 5 October 1939 (Fig. 4).

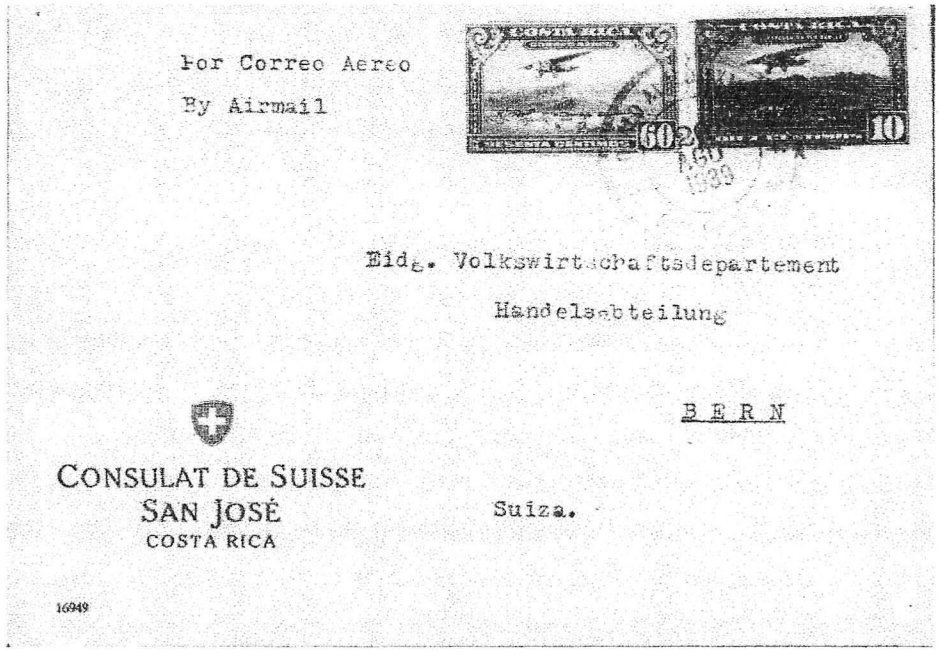


Figure 4. Part-paid airmail cover , flown as far as New York only.
Postage: 70 ctmos for 5 to 10 gram weight letter.

The fifth schedule provided for even lower postage rates, but outbreak of hostilities in Europe brought this trend to lower airmail postage to an end, and when the sixth even shorter-lived rates schedule was introduced 6 October 1939 this reflected a postage increase to rates even higher than those charged under the fourth schedule. Costa Rican airmail covers dispatched during the sixth airmail rates schedule period (6 October 1939 to 14 July 1940) seem peculiarly elusive and the current writer cannot confirm any of the rates stated in Mitchell's article through inspection of stamps on covers, even for letters sent to the United States

Throughout the war years until 1947 when the tenth rates schedule came into effect there were a number of different airmail rates changes, and for details of these the reader should refer to the accompanying table where Costa Rican airmail rates to the USA and to Europe, either with or without onwards transmission across the Atlantic by steamer, are given.

In 1939 Pan American Airways inaugurated FAM Route 18 services across the Atlantic and it was thus possible to fly mails all the way from Costa Rica to Europe via the USA. Mitchell states Costa Rican airmails were first accepted for the transatlantic service in June 1939, but it was 6 October that specific higher airmail rates were formally introduced to reflect increased airmail charges on covers flown all the way. The first transatlantic airmail rates were set at 1.35 Colones the first 5 gm. plus 1.15 Colones each succeeding 5 gm. weight step (Fig. 5). I was at one time shown a photocopy by Richard Beith of a Costa Rican airmail cover sent to an axis country via the Italian airline LATI in the period when the first transatlantic airmail rates were effective, and the postage on this letter indicated that the same postage rates were levied on LATI-flown covers as those flown by PAA. In mid-1940 there was a 50% increase in Costa Rican domestic letter rates and the "flown all the way" transatlantic rates were raised accordingly (line 7 of the rates table) (Fig. 6). This latter transatlantic airmail rate remained unaltered even when rates through to the USA were changed in November 1942 (the eighth rates schedule).

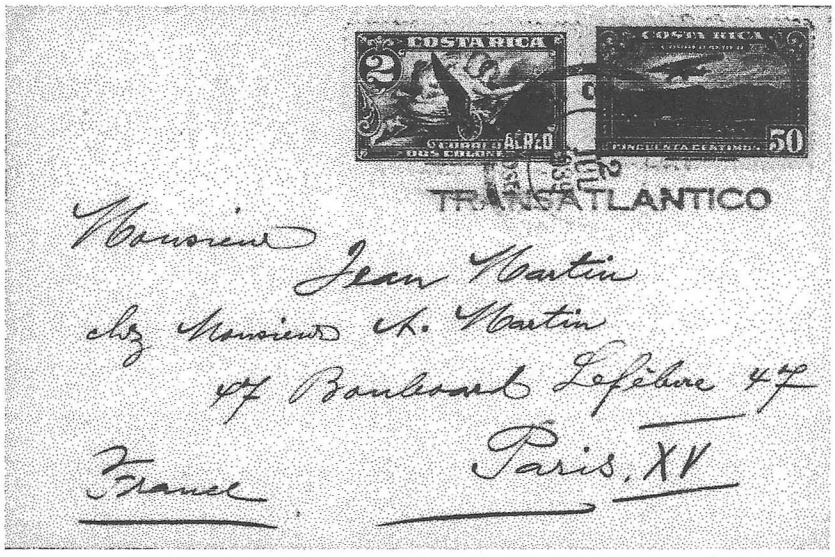


Figure 5. Double weight transatlantic airmail cover to France, 2 July 1939,
Postage: C2.50 for a letter weighing between 6 and 10 grams.

Figure 6. Transatlantic airmail cover from San José to Germany, 31 July 1940.
Postage: C1.40 for a letter weighing up to 5 grams.

Near the end of the World War II period (1 July 1945) when the ninth airmail rates schedule was introduced affecting airmail rates to the USA, a third lower "flown all the way" transatlantic airmail rate of only 1.25 Colones for letters weighing 5 gm. or less, plus 1.00 Colones for each successive 5 gm. weight increment, or fraction thereof was introduced.

At the time Mitchell penned his original article (1955) he believed this third transatlantic airmail rates schedule was still in force, even though there had been introduced on 14 March 1947 a tenth airmail schedule leading to even lower airmail rates Costa Rica to the USA. I cannot verify this particular point about the third transatlantic rates schedule of 1945 for mails carried by Pan American Airways still being in effect as late as 1955, but I doubt it for the following reason.

In 1947 the Dutch national airline, KLM, had opened an alternative transatlantic route Amsterdam through to San José via Amba, the Dutch West Indies, and Barranquilla, Colombia. A weekly airmail service from Costa Rica to Amsterdam via KLM commenced 25 March and this provided for much lower postage rates than those specified under terms of the third transatlantic (via PAA) airmail rates schedule. The KLM rates were 0.90 Colones for letters weighing up to 5 gm., plus 65 ctmos each additional 5 gm., or fraction thereof. How long this competitive KLM rate was effective we cannot be sure, but rates found on covers flown via KLM to Europe of 0.80, 1.35, 1.90, 2.45 Colones indicate even lower rates might have been introduced circa May 1949. It is conceivable that the aforementioned higher PAA airmail rates schedule of 1945 did remain effective, for the KLM service was only once per week, and the circuitous route taken via the Dutch West Indies probable led to a delayed transit time compared with airmails flown by PAA. But we would guess, in view of this stiff competition provided by KLM, and a general decrease in world airmail postage rates largely brought about through introduction of more efficient aircraft, that PAA would have had to lower their rates.

Covers are found as late as 1955 carried by PAA rated at 1.25 Colones, but we guess this might be coincidental postage for a 10 gm weight letter and a lower rate for 5 gm. letters, say 75-80 ctmos might have been introduced. Rates on covers to hand carried by PAA are so varied we currently cannot sort them out, and we urgently require documentary proof what the rates should have been. Deciding whether lower "flown all the way" transatlantic rates might have been introduced is somewhat obfuscated through uncertainty of knowing whether or not a particular cover might have been sent "part-paid airmail service only as far as New York". Costa Rican postal rates for September 1959, and ever since, are fully documented but these are outside the period of our current study.

It is particularly infuriating that copies of the relevant Costa Rican Post Office bulletins, or other confirmatory documents, seem not to be currently available to help sort out the general uncertainty of Costa Rican postage rates for the immediate post-war period through to the late 50's. Surely somebody somewhere will have this information? Analysis of rates on sufficient covers would eventually give us some kind of answer, but it is a bit like trying to re-invent the wheel, and even if we come up with an accurate picture as to what the rates actually were, we would still like to know to the day when such or such a postal rate came into effect.

One thing is clear, transatlantic airmail rates in the post-war years were very high and it was always a useful option to pay airmail part-paid through to New York only. In fact this was the usual airmail method used right up to about 1952. Unless it was otherwise marked an airmail letter to Europe always seem to have been dispatched by steamer, and to qualify for full "all the way" transatlantic airmail service a letter had to be endorsed on the front "Via transatlantico," or "Via trasatlantico" (*N.B.* not a typographical error, "trasatlantico" without the "n" was apparently correct Spanish), or with some equivalent phrase, (see Fig. 6).

There might well have been a Costa Rican regulation enforcing use of one of these phrases, but we are not sure. What is clear, however, is that unlike airmails from many other Central American republics, Costa Rica did not use special "Jusqu'a" markings such as "Correo Aereo Hasta New York" until after 1952.

Presumably such postal markings were thought irrelevant in view of this being the normal airmail routing to Europe, and it was only after 1952 or thereabouts when the "flown all the way" transatlantic airmail service became more popular that a need to signify covers flown part-way to New York only became really necessary. Nowadays, of course, mails are hardly ever, if at all, sent to Europe using a "part-paid airmail service through to New York only" service. Even if this option still survived the increase in the time taken for steamer passage across the Atlantic could not hope to compete on commercial grounds with the relatively small cost of the extra airmail postage levied for flying the whole distance, nowadays achieved in a matter of hours using modern jet equipment.

COSTA RICAN AIR MAIL RATES TO EUROPE 1930-1947

No.	Date when effective	Wt. steps	Airmail Rates to the United States.	Rates to Europe (by steamer from New York).	Rates to Europe (flown all the way)
1a	11 Mar 30 - 9 Jun 31	15 gm.	0.93, 1.73, 2.53	1.00, 1.80, 2.60	
1b	10 Jun 31 - 30 Sep 32	15 gm.	0.90, 1.70, 2.50	1.00, 1.80, 2.60	
2	1 Oct 32 - 5 Jly 35	15 gm.	1.05, 2.10, 3.15	1.10, 2.20, 3.30	
3	6 Jly 35 - 14 Feb 38	15 gm.	1.40, 2.80, 4.20	1.50, 3.00, 4.50	
4	15 Feb 38 - 30 Nov 38	5 gm.	0.50, 0.85, 1.20, 1.55	0.55, 0.90, 1.25, 1.60	
5	1 Dec 38 - 5 Oct 39	5 gm.	0.35, 0.60, 0.85, 1.10	0.45, 0.70, 0.95, 1.20	(a)
6	6 Oct 39 - 14 Jly 40	5 gm.	0.55, 1.00, 1.45, 1.90	0.65, 1.10, 1.55, 2.00	1.35, 2.50, 3.65, 4.80
7	15 Jly 40 - 14 Nov 42	5 gm.	0.40, 0.65, 0.90, 1.15	0.50, 0.75, 1.00, 1.25	1.40, 2.55, 3.70, 4.85
8	15 Nov 42 - 30 Jun 45	5 gm.	0.60, 1.05, 1.50, 1.95	0.70, 1.15, 1.60, 2.05	1.40, 2.55, 3.70, 4.85
9	1 Jly 45 - 14 Mar 47	5 gm.	0.45, 0.75, 1.05, 1.35	0.55, 0.85, 1.15, 1.45	1.25, 2.25, 3.25, 4.25
10	15 Mar 47 - ?	5 gm.	0.35, 0.55, 0.75, 0.95	0.45, 0.65, 0.85, 1.05	(b)
11	via KLM" 25 Mar 47 - ?	5 gm.			0.90, 1.55, 2.20, 2.85
12	via KLM" c. May 49 - ?	5 gm.			0.80, 1.35, 1.90, 2.45
Notes :					
(a) The transatlantic airmail service via Pan American Airways (FAM Route 18) available beginning June 1939. It is therefore likely the transatlantic airmail rate of 1939 was actually introduced from this date.					
(b) H.D. Mitchell reported that the Costa Rican transatlantic airmail rate of 1st. July 1945 (mails carried via Pan American Airways) was still in effect as late as 1955. In view of the much lower airmail rates for letters carried by KLM (rates introduced March 1947) it is unlikely that the much higher "via PAA" transatlantic airmail schedule could have remained in effect.					

References.

(1) Lutgens R.E. "The Rates for Airmail from Germany to the United States 1924-1945" *the Airpost Journal,* Vol. 65, No8, August 1994, pp. 313-325.

(2) Crewe D.C. "Hong Kong Airmail Routes and Rates" *Hong Kong Study Circle Journal,* July 1992.

(3) Wilcsek R. "Pre-War Air Mail Rates from Hong Kong to England, the U.S., Canada and Australia." the *Airpost Journal*, Vol. 66, No. 12, December 1995, pp. 481-490.

(4) Wilcsek R. "Pre-War Australian Airmail Rates to the UK, USA & Canada and Censorship Markings." *Airpost Journal,* Vol. 65, No. 11, November 1994, pp. 455-462; and Vol. 66, No. 9, September 1995, pp. 353-356.

(5) Riosa M., "Airmail Rates of Mexico 1917-1932", the *Airpost Journal,* Vol. 65 No. 2, Feb 1994, pp. 49-57.

(6) Guatemala: A Handbook on the Postal History and Philately of Guatemala. Vol. 2. pp. 143-147., the International Society of Guatemala Collectors, Robson Lowe Ltd. publishers, London, 1975.

(7) Birks M.P. "Nicaragua: Postal Rates from 1913" *Central America Newsletter,* Serialised in many parts. The articles relevant to Nicaraguan airmail rates commenced with Vol. IV, No. 68, July 1997, pp. 88-91.

(8) Cohen, Alex A. "Salvador Airmails" Privately produced monograph, c. August 1930. Reprinted as "Inauguration of International Airmail Service in El Salvador, December 1929," Oxcart, Vol.XVI, No. 63, June 1976, pp. 55-59.

LETTER TO THE EDITOR from MICHAEL ROUND

1. COSTA RICA

An item in a recent Spanish Main exchange packet looking at arm's length just like a stained copy of SG 77; Scott 69 (the 1c brown of the UPU 1909 set) proved on closer examination to bear an uncatalogued surcharge. Printed in watery yellow-green ink, it is probably too indistinct to reproduce properly in black and white photocopy. It reads as follows:-

"Correo Aereo / 1924 / (outline of steam-locomotive heading right) / 50 cts."

There is no reference to it in Gibbons, Scott, Michel, Yvert, Sanabria, Silombra (1945), Champion (1930), David Field (1934) or Chapier *(Les Timbres de Fantaisie).* The anonymous *An Airmail Collector's Notebook* selected and edited by L N & M Williams (no date) comes close, in describing an emission ostensibly to supply material for an emergency airmail service. This shows a complete sheet by way of illustration: the surcharges incorporate a plane (not a train) and are surcharged se-tenant horizontally with the following values 1 Col., 64c, 32c, 16c and 8c. My item remains unaccounted for. Can any reader help?

A copy of *An Airmail Collector's Notebook* exists in the NPS library. The reference is on pages 45-6

2. HONDURAS

I have a horizontal pair of the 1988 50c surcharge on 1975 Women's Year 16c (SG 1097; Scott C781) with the inscription "L.0.50" almost completely missing.

So nearly a cataloguable variety, this appears in fact, to derive simply from under-inking. It occurs on stamp 2, row unknown. My pair is used but the postmark is illegible.

MAILS ACROSS THE ISTHMUS 1840-1955 - Part 5

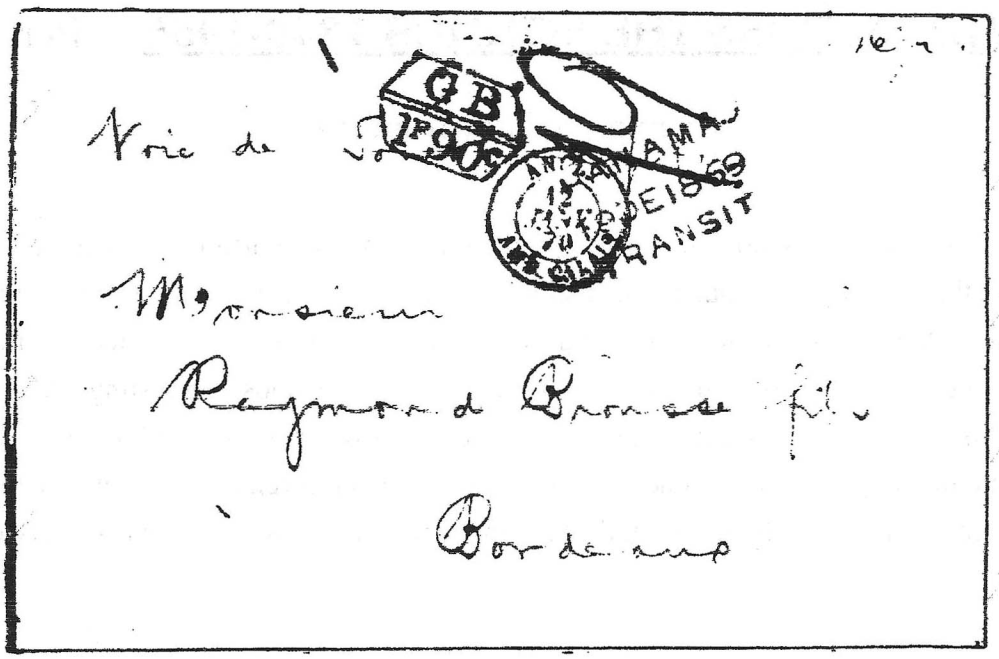
from an unknown source

In those early days there was no Universal Postal Union and no uniform postage rates, much less agreements for the normal interchange of mails; and even if there were, precious few means to accomplish this task were available. The study of various means by which means passed privately through the private and government forwarding agents at Panama is most interesting. Many forwarding and postal markings are known and most are very scarce. However no matter how they were handled, once letters came to a regular postal agency, and there were several foreign offices in Panama besides the US (France, Great Britain and others) the mails were then into the mainstream of postal service.

21 September 1883. A cover from Fernando Chamorro in Granada to the Nicaraguan government's purchasing agents in Paris. The cover bears the c.d.s. of the *Agencia Postal de Nicaragua en Panama* for 1 October 1883 as well as a strike of the double ringed c.d.s. of the British Office It was carried by French packet to Bordeaux and overland to Paris where it arrived on 24 October 1883. The only recorded cover from the Nicaraguan Postal Agency in Panama.

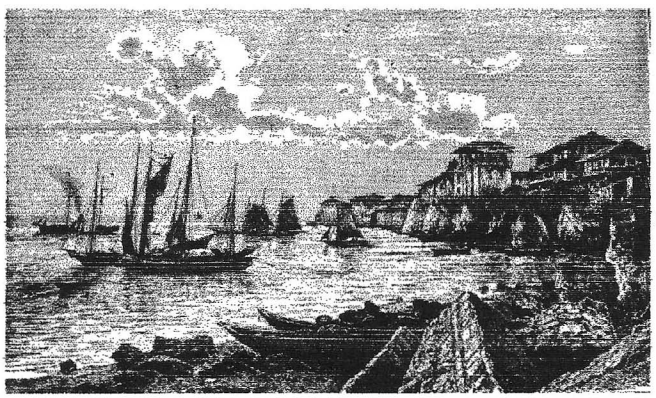
Supplies of US postage stamps were at Panama as early as 11 July 1850 – some 2500 of the 10¢ black Washington. Covers bearing these stamps are avidly sought after and therefore very expensive. Further mention of the use of US stamps in Panama are found in contemporary newspapers, especially after the prepayment of postage became mandatory in 1855.

The US was not alone in providing stamps. British stamps are known to have been available in 1861 [Gibbons states that "Stamps of Great Britain were supplied to Carthagena, Panama and Santa Martha in 1865, Colon in 1870 and Savanilla in 1872"] and cancelled with the British killer cancel inscribed "C35". Prior to this time mail transmitted by the British office was endorsed with the Colonial type crowned double circle handstamp. British Postal Agency Panama markings are recorded in some quantity, chiefly originating in the Caribbean or west coast of South America.

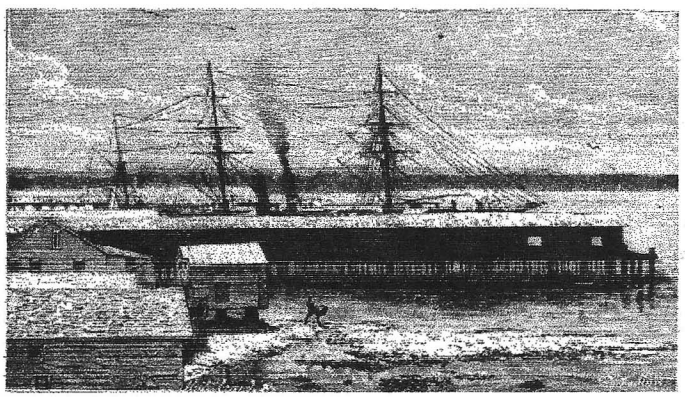


An outstanding 1869-70 cover originating in Guayaquil, Ecuador, to France; passed through the British Postal Agencies in both Ecuador and Panama. The "GB/1F90¢" is a British accountancy marking struck in London prior to forwarding to France. This letter took 36 days to reach Bordeaux.

With the opening of the railroad, things became quite regularised. Steamers from the Atlantic seaboard plied the sea lanes on a scheduled basis and unloaded the mail, freight and passengers at the spacious docks erected at Aspinwall, as the Caribbean terminus came to be known. The story of Aspinwall is a story in itself, and shows us how the mails can indeed cause major events, even if only on the scale of the proverbial flea. The story is a bit tangled and even the contemporary writers differ a bit on the details, although each one contributes to the final picture which is quite clear.



The Panama City waterfront and broken walls of the Spanish ramparts. The view was made at close to high tide. The area is substantially similar today. Note the absence of larger vessels, caused by the 20 foot tides on the Pacific side.

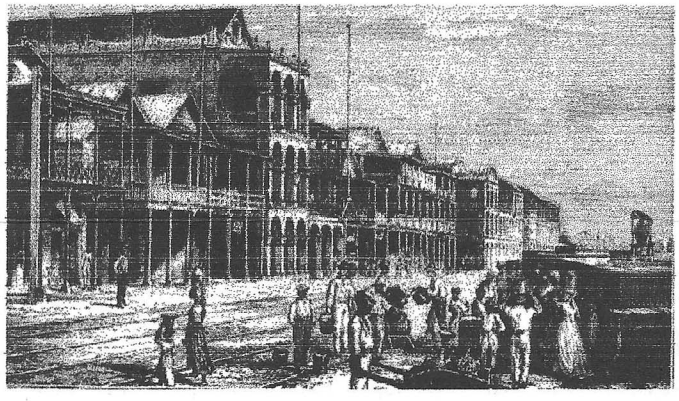


The Panama Railroad piers at Colon, or Aspinwall as the Caribbean port was called by the Americans who built it. This view looking west towards Toro Point / Fort Sherman. The piers were built out over the former coral reef and afforded natural deep water berthing spaces.

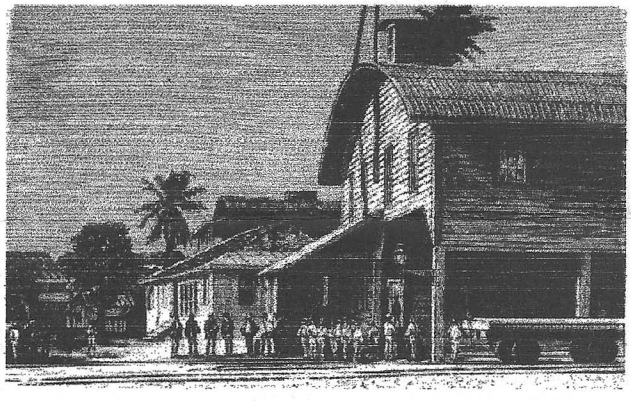
Dr. Otis, whose 1855 book *The Illustrated History of the Panama Railroad* gives us the earliest version of the major aspects of the story, relates that on 2 February 1852, John L. Stevens proposed to call the settlement Aspinwall in order that "it should commemorate the services of one of the originators and unswerving friends of the road".

Tracey Simpson, who in 1911 published his standard reference work *Fifty Years at Panama*, tells us that "The proposition was accepted with enthusiasm, and it was supposed that the same would be permanently established; but in this instance it would appear that the parent could not christen its own child". In a more modern work (1967) Schott gives us more details. "On 29 February 1852, the railroad company laid the cornerstone of what was to be a passenger / office building at a ceremony. A Dr. Paredes, who was the Colombian Minister Designate to the US, delivered the principal speech. He praised the construction effort and the new town of Manzanillo. He then proposed that "We call this town Aspinwall as a slight homage to so respectable person". A Mr Webb (hereafter unknown to history as he was previous to the event) accepted for the company and the local citizenry".

In the US and elsewhere the postal guides and nautical charts were changed. However, the central government of the Colombian Federation at Bogotá objected. Bogotá repudiated Paredes' name suggestion and issued an order naming the town for the original discoverer of Manzanilla, Christopher Columbus. "The name of the town was not Aspinwall", said Bogotá, "the name of the town was Colon".



Front St., Colon, with the Panama Railroad tracks in the foreground. The building later to house the I.L.Munro, Jr. photographic studio is at 3rd flagpole from left. This area was leveled by fires that ravaged the city from time to time, and nothing seen in this view stands today.



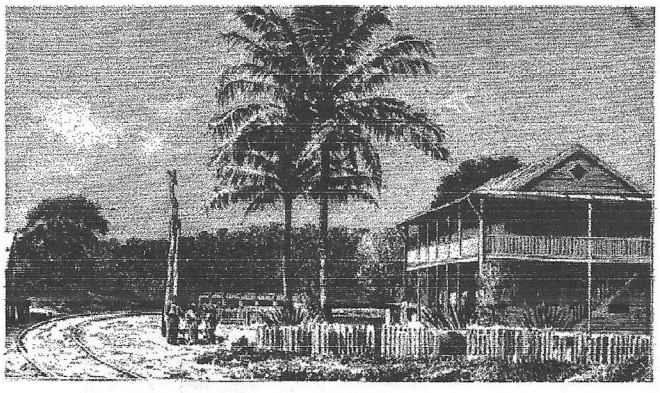
The original wooden railroad station at Panama City, located close by the waterfront and not far from the stone structure built by the Americans in 1911, which now houses Panama's Museum of Man.

It was the Post Office which finally settled the issue. The government at Bogotá ordered its Post Office department to return all mail to sender addressed with the name Aspinwall on the envelope. Rather than interrupt the flow of mail, the railroad bowed to Bogotá and grudgingly accepted the name Colon. Thus it remains to this day!

The rails across the isthmus proved to be a major boon to the development of the West, It is estimated that upwards of 20,000 people yearly took advantage of the (at last) safe, rapid and tolerably comfortable service offered by the railroad. The terminal was literally at the head of the Colon docks and a train was always on hand to speed the new Californians on their way across the Isthmus in three hours or less. Dr. Otis describes one day at the docks in 1867: "Fifteen hundred passengers, with the ... mails, and the freight of three steam-ships, have not infrequently been transported ... during a single half-day".

The volume of mail carried without loss over the route was equally enormous: from 1855 to 1859 over 100,000 bags and from 1855 to 1867 some 300,000.

Nothing alive is truly stable – change is part of our lives – and so it was in the days of the Gold Rush. Remember, the original contract agreed to between the railroad men and the Nueva Granadian authorities stipulated that the railroad could be acquired in 1875 by the Colombians (they had changed the name of their country in 1863 when they officially renamed Aspinwall as Colon) for the sum of $5m which was a fraction of its worth. This would never do so the Americans went hat in hand to Bogotá to see if a better deal could be arranged. The Colombians were ready to deal! In exchange for a 99 year lease the railroad agreed to free transport of all Colombian officials and mail, cough up an annual payment of $250k plus the usual 3% royalty, make improvements at the terminal cities, and sweeten the deal with an immediate cash "bonus" of $1m. Minter describes the ensuing fiasco: "Soon every Colombian with political connections had a lifetime pass as a 'government employee', and thereafter the annual total of deadheads often exceeded the number of paying passengers. The politicos sent their farm and mine produce and even their livestock across the Chagres valley by first class mail".



The old Panama Railroad station at Barbacoas, 23 miles from Colon and half way across the isthmus. It was the site of the major iron and stone bridge crossing the Chagres river. The site is now under the waters of Lake Gatun and the bridge, which can be seen in the background, was dismantled after the Railroad relocation in 1909.

Even this did not totally stem the flow of profits into company coffers. For the initial 15 years of service the dividends were never less than 24% per annum and in the banner year of 1868 they were 44%. For each dollar put into railroad stock when it was in the pits in 1851 a value of $48.72 was now on the books, plus the additional $50+ in dividends declared in that period.

It was downhill after that but in reality the writing was already on the wall prior to the Civil War when the first Butterfield stagecoaches opened a route to San Francisco in 1858. The opening of this alternative route coincided with the expiration of the initial mail steamer contracts which were for 1848-58 only. They were extended, however, but at a greatly reduced rate based on amounts actually carried instead of a flat rate figure. The railroad's compensation for carrying the mails also followed a downward curve as the trip became more routine. the 50¢ per mile passenger tariff continued for years – a classic case of supply and demand. But Uncle Sam was not quite so free with his purse strings! From the first $100k subsidy amounts collected rose to over $122k in 1855 after the railroad was opened. In 1853, even before it was opened, over $95k was earned under a March 1851 Congressional Authorisation allowing 22¢ per pound. In March 1855 this was reduced to 18¢ per pound the reduced expenses coinciding with opening of the railroad all the way across the Isthmus. Further reductions came later, and by 1860 only $25k entered the tills from the mails. This is not to say that the mails were always inconsequential. The Panama route had come to be viewed as very reliable and at times of Indian troubles the only one. The impact and importance of the mails on early travelers is amply illustrated by views of railroad operations which nearly all show crowded cars and the ubiquitous US Mail car.